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Montserrat

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I. General

1. Montserrat[1] is situated in the Leeward Islands in the eastern Caribbean, 43 kilometres south-west of Antigua and 64 kilometres north-west of the French Overseas Department of Guadeloupe. The island is 18 kilometres long and 11 kilometres wide and covers an area of 103 square kilometres, all of which is volcanic and mountainous. Its coastline is rugged and has no all-weather harbour.[2]

2. In July 1995, the Montsoufriere volcano, dormant for more than 400 years, erupted and caused the evacuation of more than one third of Montserrat's population from the southern part of the island to its northern "safe" areas in August 1995. Montserrat's capital, Plymouth, was abandoned after the increase in volcanic activity in 1996. The temporary capital is now located in Brades and a new capital is being planned in Little Bay, which is situated on the north-east coast of the island.[3]

3. The population of Montserrat was 10,581 in 1995. In 1998, it was reduced to 3,500, although some sources give a lower figure of 2,800.[4] In 1999, the population was estimated to be just over 4,600. Data from the voter registration rolls for the 2001 elections indicated that as of February 2001 the population of Montserrat was approximately 5,000, with nearly 3,000 over the age of 18. English is the only language in use by the entire population. The principal religion is Christianity, and the main denominations are Anglican, Roman Catholic and Methodist.

4. As of May 1999, the Territory, in conjunction with the administering Power, had a comprehensive programme in place for the reconstruction of the Montserrat economy.[5] The sustainable development plan, which includes policies aimed at helping Montserrat go from a state of crisis to development, is to be put in place by 2002.[6]

II. Historical background

5. Montserrat, sometimes called the Emerald Island, was named after a Spanish monastery by Christopher Columbus on his second trip to the island in 1493. In 1632, the island became a British Colony, and its first settlers came mainly from Ireland. Slaves, who worked the cotton, sugar and tobacco plantations, were unsuccessful in an uprising in 1768.[7] Although Montserrat was occupied by France for brief periods of time, it returned definitively to British rule in 1783. Montserrat became a British Crown Colony in 1871.

III. Constitutional background

6. Montserrat is a Non-Self-Governing Territory of the United Kingdom of Great Britain and Northern Ireland. The Territory is administered by the United Kingdom under the Montserrat Constitution Order of 1989, which came into force in 1990. The Constitution provides for a Governor appointed by the Queen; an Executive Council comprising the Governor as President, the Chief Minister, three ministers and two ex officio members (the Attorney General and the Financial Secretary); and a Legislative Council, comprising a Speaker, two ex officio members (the Attorney General and the Financial Secretary), seven elected members returned from single-member constituencies on the basis of universal adult suffrage and two nominated members. Elections are held every five years on the basis of universal adult suffrage. The next elections were planned for November 2001. However after the resignation of two ministers in February 2001 and the collapse of the Government, the election date was advanced to 2 April 2001 (see para. 12).

7. Ministerial responsibilities cover all areas of government business, including finance. While the Governor retains responsibilities for external affairs, internal security, defence, the pubic service and offshore financial services, he is expected to act on the advice of the Ministers. During the Governor's absence, the Speaker of the Legislative Council acts as Governor.

8. The law of the Territory is English common law together with locally enacted legislation. It is administered by the Eastern Caribbean Supreme Court. The Royal Montserrat Police Force, headed by a British Commissioner together with his staff officer (a senior Superintendent) is funded by the technical cooperation programme. The force is made up of 51 people, of whom only 60 per cent are Montserratian.[2]

IV. Political developments

9. The current Governor of Montserrat, Anthony Abbot, has been in office since 1997. The newly

appointed Governor, Tony Longrigg, will assume office in May 2001. The new Chief Minister, John Osborne, took office in April 2001.

10. Montserrat's political party system is not very stable. The main political parties are the New People's Liberation Movement (NPLM) and the National Progressive Party (NPP). During the previous elections, in 1996, in the midst of the chaos resulting from the volcanic activity, voter participation was very low, none of the parties won a majority and a coalition Government was formed.

11. A new electoral system has been adopted. Because the majority of the constituencies of the Territory are currently uninhabitable following the eruption of the Montsoufriere volcano the entire island is considered to be one constituency. Nine at-large members are elected in two rounds of voting. The new Assembly does not include any nominated members. One of the important issues for the new system was the question of a qualifying pre-poll residence period. Initially, it had been suggested that the length of residence should be three weeks to make it possible for Montserratians who lived abroad to return home and vote. For the 2001 elections, the residency requirement was raised to 36 months better to reflect the opinion of the inhabitants of the Territory. However, this stipulation has caused some displeasure among the Montserratians living and working abroad.

12. The resignation of two Ministers in February 2001 upset the coalition Government, which had a one-seat majority among the seven elected seats of the Legislative Council. Under such circumstances, the Territory's Constitution requires holding new elections within 90 days. As a consequence, the election date was advanced from November to 2 April 2001. The elections brought an overwhelming victory for NPLM, which now occupies seven of the nine seats in the Legislative Council. The remaining two seats are held by NPP. Three of the elected representatives are women and two of them will serve as ministers. The voter turnout was 78 per cent of the total of 2,953 registered voters. Four of the winners obtained over 50 per cent of the votes.

13. The key campaign issues of the elections were improved relations with the United Kingdom, foreign and local investments, job creation and housing, as well as ways to encourage the return of Montserratians living overseas.

14. In March 1999, the Government of the United Kingdom issued a White Paper on the relationship between the United Kingdom and its Overseas Territories, entitled "Partnership for Progress and Prosperity: Britain and the Overseas Territories". The paper is contained in the annex to document A/AC.109/1999/1 and its key recommendations are outlined in document A/AC.109/1999/15 (para. 38).

15. In April 2000, in a speech given by the Under-Secretary of State for Foreign and Commonwealth Affairs, the administering Power stressed the theme of partnership based on four fundamental principles, reiterated its commitment to maintaining the right of self-determination and stated: "Where independence is an option and if it were to be asked for, we would not stand in any Territory's way. Neither do we have any hidden agenda to force any Territory to go down the independence route."[8]

V. Status of the Montsoufriere volcano

16. In July 1998, the administering Power commissioned the Montserrat Volcano Observatory to evaluate the status of the Montsoufriere volcano.[9] The report, entitled "Scientific and Hazards Assessment of the Montsoufriere Volcano", which was released in March 1999, noted that when the magmatic eruption ended in March 1998, there were no signs that there would be any further eruptions in the near future. The report also described the residual activity during 1998 as being common in volcanoes where eruption was coming to an end. Such activity was still expected to pose hazards in the southern part of the island. At that time, the scientists assessed the probability of no eruptions occurring in the upcoming months at 95 per cent. The probability of the Montsoufriere volcano erupting again within the next five years was only 15 per cent, and 25 per cent within 10 to 30 years.

17. Nevertheless, the volcano erupted again in November 1999 and yet again in March 2000. No one was reported to be injured in the eruptions. The March 2000 eruption collapsed the dome that had been growing at an average rate of 3 cubic metres per second and caused pyroclastic flows, volcanic explosions and mudflows. The ash fall covered the entire island and extended to Guadeloupe and Antigua. According to a report of the Observatory in January

2001, the dome is at its largest size since the eruption began in 1995 and has a total volume of over 120 million cubic metres and an elevation of over 1,000 metres above sea level. The direction of dome growth has been predominantly towards the east with typically hundreds of rockfalls occurring per week. Further collapses and pyroclastic flows are anticipated. These are unlikely to pose a direct threat to areas outside the exclusion zone,[10] but might result in ash fall in populated areas. At present, the risk to populated areas of Montserrat is considered low. However, in the event of a shift in the direction of dome growth towards the north or west, which could happen at any time, over a period of a few hours or days, the so-called safe zone would immediately become an area of high risk. The report states that observations of dome growth rates, seismicity and gas release rates indicate that it is unlikely that the eruption will cease within the next six months.[11]

18. In late 1999, the Montserrat Volcano Observatory embarked on an intense local and regional public education campaign, including trips to neighbouring countries and the United Kingdom with the objective of delivering first-hand information and having discussions with disaster officials, local historians, communities of Montserrat citizens and the general public.[12]

VI. Economic conditions

19. Volcanic activity and hurricane damage have combined to seriously undermine Montserrat's economic development and have implications for its future planning.

20. According to a recent review by the Caribbean Development Bank (CDB), the real gross domestic product in Montserrat had been projected to grow by 4.4 per cent in 2000. However, according to the information published by *Caribbean Update* in April 2001, the economy is expected to record a 6 per cent decline, owing to a lag in the implementation of several projects and programmes. Although the northern part of the island has been declared relatively safe, foreign investors continue to be cautious, mostly because of the reluctance of insurance companies and banks to take risks.[13] As efforts to rebuild the economy continue, economic activity centres on reconstruction, which is largely funded through the United Kingdom Department for International Development.[14] The country policy plan developed for Montserrat in 1999 is a three-year programme providing $122.8 million in British budgetary assistance.[15]

A. Budget

21. During the 2000 budget presentation, the Chief Minister noted that the main objective of his Government was to create an economic turnaround, at the same time maintaining an appropriate balance between reducing the level of budgetary aid, and adequately providing for the needs of the population. He stated that the budget had two important points. First, 50 per cent of recurrent expenditure needs would, for the first time since 1996, come from locally generated revenue, and would equal or exceed the level of budgetary aid. This could be attributed to the reintroduction in 1999 and 2000 of certain fiscal arrangements that had been suspended during the volcanic crisis. Second, moderate economic growth was projected in the year 2000.

22. Expenditure during 1999 totalled EC$ 59 million. The amount of local revenue raised was EC$ 26 million. This included EC$ 16.2 million received from direct taxes (mostly through property tax, company tax and personal income tax), which was EC$ 1.3 million more than in the previous year. The deficit was funded by budgetary aid provided by the Department for International Development.

23. At the end of 1999, the rate of inflation as measured by the consumer price index stood at 0.8 per cent. Rent increased by 46 per cent, which was an improvement in comparison with a rate of 70 per cent at the end of 1998. The price of household goods increased by 10.5 per cent.

24. In his budget presentation, the Chief Minister stated that Montserrat's "independence in budgetary decision-making was often undermined" by donors influence. The Government viewed the relationship with the Department for International Development as a partnership whereby that institution provided much-needed budgetary support for those programmes that the people of Montserrat deemed to be beneficial to them. At the same time, the insistence by the Department on the strict application of the rules for international development represented a fundamental

concern. Thus although £75 million was allocated for three years, the Chief Minister said that before final approval was obtained for each project individually, it was necessary to go through many stages of correspondence lasting as much as two years. The Government of Montserrat considered that fast tract rules should apply in their situation. The problem had been discussed many times with the Department.

25. Estimated expenditure for 2000 was EC$ 54.4 million, which was 6 per cent less than the 1999 budget. The business incentive and revenue-generating measures introduced during the past two years resulted in raising local revenue to EC$ 27.2 million in the year 2000. This represented a three-year growth trend and an increase of 5 per cent over 1999. The amount of EC$ 16.2 million, or 60 per cent of the overall figure, would be raised from direct taxes. In order to encourage taxpayers to reduce their arrears, the Government waived penalties and interest, as well as introduced the requirement for exit certificates for those wishing to travel.

26. Health and community services represented the largest allocation, at EC$ 12.3 million. This included, among others, an allotment of EC$ 3.1 million to the food welfare scheme, the subvention to the Golden Years Home of EC$ 900,000 and an amount of EC$ 600,000 to be used to finance the sanitation programme. The Ministry of Communication and Works accounted for EC$ 4.88 million. Allotment for education for 2000 increased by 16 per cent to EC$ 4.4 million. The allocation to the Ministry of Agriculture, Lands, Housing and the Environment was EC$ 4.2 million.

27. Under the Development Fund estimates, development expenditure in the year 2000 for projects executed directly by the Government was planned at EC$ 94.5 million. Projects included a variety of land development and housing schemes, road works and road-related items such as the Asphalt Plant, equipment for the Public Works Department, projects related to electricity, financing of business, tourism and industrial development, seaport development and landside improvements. The Ministry of Communication and Works would be responsible for spending EC$ 35 million, the Ministry of Agriculture, Lands, Housing and the Environment for EC$ 27.4 million, the Ministry of Health and Community Services for EC$ 12.5 million and the Ministry of Finance and Economic Development and Trade for EC$ 11.4 million.

B. Banking and finance

28. According to a government press release, CDB agreed to restructure Montserrat's debt. CDB is the principal creditor of the Government of Montserrat, representing approximately 70 per cent of the Government's annual debt service. The agreement between CDB and the territorial Government provides for moratoriums of varying length on the principal and/or interest of 7 of the 12 loans held by the Bank.[16]

29. At the end of 1999, the Government's outstanding loan obligations remained largely unchanged and debt service payments were relatively small owing to the above-mentioned moratoriums, which still remained in effect. Domestic debt comprised treasury development bonds of EC$ 6 million. The Government intended to reduce this amount by EC$ 2 million when some bonds matured at the end of 2000. Government expenditure was 5 per cent higher than budgeted.

30. In June 2000, the Organisation of Economic Cooperation and Development (OECD) published a list of 35 countries, including Montserrat, labelled as offshore financial centres that had harmful tax practices. OECD insisted that those jurisdictions must improve their financial regulations and eliminate those practices or face sanctions. An independent review of financial regulation in the Caribbean Territories was published on 27 October 2000. It assessed the extent to which each Territory regulated its international financial sector and complied with international standards and good practice. The response provided by the Government of Montserrat in January 2001 recognized some deficiencies in the local regulation of financial services and the Government's intention to address them. This included the need for more trained personnel for the regulatory authority, improved level of supervision over the offshore banks, change of legislation for licensing and supervision of insurance and other outside companies. The response noted that certain aspects of the Territory's legislation were found to be compliant with good practice standards.[17]

C. Tourism

31. The negative impact on the economy of reduced visitor arrivals and spending has been significant. Although prospects for the tourism industry were not very bright, Montserrat's attempts to stay involved in international and regional tourism promotions and its

efforts in this regard have shown moderate results. The year 1999 witnessed the resumption of visits by passenger ships, including private yachts, and a steady growth in the number of day-trippers from Antigua and Barbuda. As a measure to promote tourism, a new 18-room hotel, a new restaurant and a nightclub have opened in the northern part of the island.

32. According to the Statistics Department Unit, 14,356 tourists visited Montserrat in 2000, compared with 6,937 three years earlier. The number of excursionists increased during the same period, from 1,067 to 4,000, while stay-over arrivals showed a 60-per-cent increase.[18] Ferry and helicopter services to Antigua and Barbuda are also currently being provided.

D. Economic activity, population and employment

33. The increase in economic activity in 1998 was mainly attributable to public investment in the infrastructure, although private home-building and commercial building activity also played a role, once insurance coverage was re-established on Montserrat in these areas. The major economic activity remains the construction sector. In 1998, 290 buildings were started, with an estimated completion value of EC$ 33.7 million; of that number more than 140 were government-funded housing units. By the end of 1999, the construction of another 100 new buildings had started, with an estimated completion value of EC$ 15 million.

34. At the end of the second quarter of 1999, economic activity was at a low level, owing to the damaging effects of volcanic activity. Domestic credit was -9.9 per cent, compared with 6.4 per cent in the previous quarter, primarily as a result of the decrease in lending to the private sector. The amount of credit given to such economic sectors as construction and agriculture also declined substantially. Credit to construction fell by 33.1 per cent and credit to the agriculture sector fell by 28 per cent. However, loans granted for personal purposes remained at almost the same level, EC$ 17.3 million.

35. In 2000, the severe weather conditions and hurricanes affected such sectors of the economy as agriculture and fisheries and caused damage to roads, public buildings and private property. Direct losses alone were estimated at EC$ 2.8 million — an equivalent of 4 per cent of the gross domestic product.

36. The Government continued to stimulate the development of the private sector of the economy, bringing the level of funds available for lending to small business to EC$ 3.2 million. By March 2000, 103 loans were disbursed and the Government planned to provide a further EC$ 1.8 million.

37. In June 1997, the Territory's population was estimated at 7,500. By August 1997, the population had declined to 5,800, as additional residents relocated after volcanic eruptions in June and July.[19] The population continued to decline owing to growing danger of volcanic activity, and by August 1999 it was estimated at slightly more than 4,600. The voter registration for the April 2001 elections indicated a population of approximately 5,000. According to press reports, the administering Power has announced that it will underwrite the airfare of Montserratians who wished to return from abroad.[20]

38. Unemployment stood at 7.7 per cent at the end of 1997 and 5 per cent in March 1998. According to the Montserrat Social Survey, the labour force had shrunk to 1,517 workers, with the Government as the largest employer on the island, with 33.1 per cent of the workforce. Construction accounted for almost 14 per cent; health and social work for 10.7 per cent; and wholesale and retail for 8.7 per cent.[21] Inflation remained relatively high, at approximately 5 per cent, and was attributed largely to increases in building rents.[22]

39. As a direct result of the volcano emergency, exports in 1998 declined to EC$ 3.4 million, compared with EC$ 22 million in 1997, before the closing of the rice mill and the electronic components factory, which had been major producers of export earnings in previous years. Imports dropped from EC$ 80 million in 1997 to EC$ 72 million in 1998; this decrease in part reflects the decrease in population from early 1997.

40. Taking into account that the re-establishment of traditional sectors of the economy, such as manufacturing and tourism, requires considerable investments and given Montserrat's limited financial resources, inadequate infrastructure facilities, including transportation arrangements, and reduced population size, the Government has proposed to examine the possibility of a greater involvement in service-oriented

businesses based on information technology, financial services and telecommunications.

E. Agriculture

41. In 1997, heavy emphasis was placed on acquiring, preparing and bringing into production as much suitable land as possible. The area of land under agricultural production by the end of 1997 was in excess of 16 hectares (40 acres). About half of this was located in a government project at Brades devoted almost exclusively to vegetable production, with the aim of reducing the level of food imports. By October 1998, the area under cultivation had increased to 24 hectares (60 acres).[23] The Ministry of Agriculture has prepared a number of plans to assist farms in those areas, and there has been some assistance provided by the Caribbean Agricultural Research and Development Institute.

42. Although data on agricultural output since June 1999 were not available, preliminary reports have indicated that the production of vegetables for the domestic market has increased, as evidenced by the decline in issuance of import licences for crops produced locally.[24]

43. According to the Chief Minister, in 1999 the Government, with the assistance of the United Kingdom, the Department for International Development and Christian Aid, funded the purchase of seeds, fertilizer, tools, etc. He pointed out that despite the losses caused by the adverse weather conditions, the 1999 Agricultural Exhibition showed the resilience of the local farmers.

44. The Ministry of Agriculture, jointly with the Organization of Eastern Caribbean States (OECS), continued to support responsible farming, taking into account the decrease in available land, assisted in the construction of an abattoir and made efforts to address the problem of loose livestock.

45. A grant from the United Nations Development Programme (UNDP) was received for the fisheries industry. Assistance was also expected from the European Union. In this connection, the Government of the Territory prepared and forwarded to the European Union the estimates of the damage caused by Hurricane Lenny, which amounted to EC$ 1.2 million.

46. Protection of the forests and preservation of the biodiversity in the northern part of the Territory remain an important issue. In 1999, progress was made in this regard with the demarcation of 750 acres as a forest reserve.

F. Sustainable development plan and country policy plan

47. In the face of the economic disruptions caused by the ongoing volcano crisis, the Government of Montserrat and the administering Power have signed a comprehensive sustainable development plan and a country policy plan, establishing the framework and direction of development in Montserrat until 2002. In 1999, these plans called for:

(a) Provision of serviced plots for housing development;

(b) Reorientation of water storage and reticulation systems to supply new customers in the north of the island;

(c) Commencement of the withdrawal from services previously provided by the private sector;

(d) Overhaul of fiscal and pricing policies and introduction of strategies to simplify and strengthen collection techniques;

(e) Programmes for potential privatization, contracting out and private finance initiatives in operation;

(f) Establishment of internationally competitive clear and non-discretionary inward investment legislation;

(g) Access to health services improved through a strengthened district level delivery system with an emphasis on primary and preventative care;

(h) Improvements in the provision of nursery, primary and secondary facilities.[25]

VII. Social conditions

A. Education

48. In 1998, there were four government primary schools in operation in the designated safe zone, accommodating children from both the non-evacuated

and the evacuated areas. There are two private primary schools, one private secondary school and one amalgamated government secondary school with three campuses.[26]

49. To meet the growing demand for school places at all levels, a number of projects were started in the safe areas of the Territory. One of them is the construction of pre-school facilities for 85 children. As of September 2000, the Government of Montserrat planned to offer primary education up to grade two. It intended to provide a full primary school as the number of students would increase in the area from Lookout to Sweeneys. Rehabilitation and reoccupation of the Salem Campus and of the Montserrat Secondary School was also planned for September 2000. Projections have been made (designs and budgets prepared) for an integrated, multidisciplinary, post-secondary institution, designed to offer programmes including A-level studies, vocational training and technical and computer education.

B. Housing and infrastructure development

50. In 1999, the territorial Government intended to assist 340 families to build homes through both "direct-build" and "self-build" schemes, including material grant assistance and a concessionary mortgage scheme. In support of this project, the Government planned to draw down its reserves by EC$ 1.5 million in order to help finance additional self-build housing. Under the Self-build Materials Grant Programme, 213 dwellings were completed and another 115 houses were planned to be finished by the end of 2000. Fifteen units were completed in October 1999, with assistance from the Caribbean Community (CARICOM) (see para. 71).

51. As of January 2000, only 150 people were housed in emergency accommodations that had been built as a direct result of the volcano eruption. By March 2000, the Government had a housing stock of 270 houses and 92 family units.

52. According to the Chief Minister, the Government continued to experience delays and difficulties with the soft mortgage and housing assistance project approved by the Government of the United Kingdom in 1998. He stated that the tender to operate the project had been won by the Bank of Montserrat and the documentation had been prepared accordingly. However, the Department for International Development had altered the terms of the project so much that it bore little resemblance to the original concept, and the Bank of Montserrat could not undertake the project in its altered form. The Chief Minister also reported that no understanding with the Department had been reached on the manner of payment of mortgages by certain civil servants. In mid-2000, the Territory signed onto a $3 million British mortgage assistance programme, which will be funded by the Department and administered by the Bank of Montserrat.[27]

53. The rehabilitation of the electricity, water supply and road network systems was expected to be complete in the Isles Bay area of central Montserrat by mid-2000. These projects have been undertaken with financial assistance from the United Kingdom.[28] In addition, recently enacted social welfare legislation comprising a means-related benefit system has replaced the previous system of monthly payments to those people who had been forced to evacuate the southern part of the island.

54. Feasibility studies are being conducted for the construction of a new port and airport, as well as a cricket stadium for the World Cup in 2007.[29] The airport construction faces a number of problems. The site for a new landing strip promised by the British Prime Minister in 1997 has not yet been chosen. There is no certainty whether it is safe for aircraft to land at either of the designated areas. Furthermore, competition between potential contractors and land vendors has also contributed to the delays.[30]

C. Health

55. Community health clinics, providing free services for Montserratians, are in operation in the safe zone at three locations: St. Peter's, Cudjoe Head and St. John's. In addition, there are two private medical practitioners and one private dental practitioner on the island.[31]

56. According to the Chief Minister, during 1999 work to refurbish the hospital at St. John's was completed. The hospital now has 30 beds, places for 50 elderly persons, a new pharmacy, a laboratory and medical records facilities and new casualty, X-ray and outpatient departments. The need remains for an operating theatre, a mortuary and storage facilities. Some services that are not available in the Territory on

a full-time basis are procured through ongoing arrangement with visiting specialists. Long-standing arrangements exist with some countries for those patients who need specialized treatment.

57. According to the information provided by the World Health Organization (WHO), a health project developed by the Government of the United Kingdom, which aims to rebuild the health services in Montserrat to the pre-volcanic level, includes a major infrastructure development component. Technical assistance will be provided by the Pan American Health Organization (PAHO) by mid-2002. It is planned to define and elaborate the concrete details of the project (see also para. 77).

58. During the period under review, the Montserrat Volcano Observatory advised the population on the extent to which volcanic ash continues to adversely affect the air quality.

59. At the beginning of 2001, the local Red Cross embarked on an educational project to raise adult awareness of the dangers of HIV/AIDS. Around 50 sessions are planned to be held in the governmental and public service institutions, banks, prisons and various workplaces. The project is funded by the Office of the Governor.

D. Community

60. Of ongoing concern is the disruption of social ties and communities as a result of the volcanic crisis. According to the Montserrat sustainable development plan, which was completed in November 1998:

> "Prior to the volcanic activity, social welfare in Montserrat was achieved through a combination of publicly financed initiatives and non-State activities. Strong community and family relationships were the basis of a support and assistance network, which combined effectively with limited targeted public assistance for the most vulnerable. Education and certain health services were provided free at the point of delivery for all Montserratians ...
>
> "The policy approach, objectives and targeting of the pre-volcano system have been distorted by measures introduced to cope with emergency conditions, in particular with respect to housing and income, as individuals and families have lost their homes and livelihoods. The associated break-up of families and communities has also meant that individuals are now much more dependent upon the State than in previous times.
>
> "A key theme to emerge during the preparation of the sustainable development plan was the desire by individuals to continue to have access to support mechanisms from the State during the period of crisis and redevelopment ... The social welfare review (commenced in September 1998) stresses the fact that a more targeted system can be developed quickly and that a combination of government provision for the most needy, the re-establishment of independence and encouragement of community responses to welfare needs is the best way forward."[23]

61. According to the Chief Minister, more skills training opportunities are needed in order to provide a greater sense of worth and to keep young people meaningfully occupied and to better prepare them for the job market. In this respect he emphasized the importance of a project to create a post-secondary educational institution. The Department of Community Services intended to arrange career planning and advice sessions for all age groups.

E. Human rights

62. In a report submitted to the United Nations Committee against Torture under article 19 of the Convention against Torture on 1 April 1998, the administering Power made the following statement with respect to Montserrat:

> "Since the submission and examination of the second periodic report under the Convention in respect of Montserrat, the life of the population of the Territory has been dramatically affected — indeed catastrophically disrupted — by the eruption of the Montsoufriere volcano ...
>
> "Despite this situation, the Government and people of Montserrat remain firmly committed to the principles of the Convention and the Government of the Territory will continue at all times to seek to ensure that the requirements of the Convention are as scrupulously observed as circumstances permit ... There have been no

relevant changes in the law since the previous reports and, certainly, there have been no alleged incidents of torture or of cruel, inhuman or degrading treatment or punishment. As previously reported, judicial corporal punishment was abolished in Montserrat as far back as 1991.

"Nevertheless, the physical and economic difficulties under which Montserrat is now labouring have, in one field that is relevant to the Convention, necessitated the adoption of arrangements that it is acknowledged are unsatisfactory but that cannot immediately be ameliorated. As explained above, with the destruction of Plymouth Montserrat also suffered the destruction of its prison. Since then, largely ad hoc arrangements have had to be made for the accommodation of prisoners."[32]

63. According to press reports, there are currently facilities to house prisoners for short periods of time. The majority of prisoners with longer sentences are sent to other overseas Territories administered by the United Kingdom; prisoners rarely serve their time in the United Kingdom.[33]

F. Evacuees

64. Assistance to Montserratians who chose to relocate within the Caribbean is provided by the Department for International Development. The programme, called Targetted Assistance for Montserratians in the Caribbean, was established to provide financial assistance to vulnerable groups who were unable to meet their essential needs, including food, rent, utilities, medical expenses, etc. The Department also provides funding for Montserrat associations and non-governmental organizations assisting evacuees, and helps in purchasing tools and materials for the establishment of businesses. A small business programme for evacuees in Antigua and Barbuda and in Bermuda was set up and is managed through the Citizens and Friends of Montserrat. The adequacy of the assistance and the level of support available to the evacuees became the subject of discussion in the local press. The Department has begun a reassessment of the aid recipients' needs.[34]

65. Reports also indicate that evacuees are concerned that the electoral arrangements, as reviewed in 1999, do not provide them with the opportunity to take part in the 2001 elections.

66. Neighbouring countries have made a considerable contribution to the well-being of evacuees. According to the Government of Antigua and Barbuda, the population of that country increased by 5 per cent as it has absorbed displaced Montserratians. The relocated inhabitants of the Territory are provided with medical benefits and social services. Free education is offered to students from kindergarten up to tertiary level.

VIII. United Kingdom development assistance

67. In paragraph 7.10 of its White Paper (see para. 14), the administering Power summarized its aid to Montserrat as follows:

"We have committed £75 million to Montserrat for the three-year period 1998/99-2000/01. This is additional to the £59 million spent in the three years since the volcanic crisis started in 1995. Our support finances budgetary aid and the rebuilding of the north of the island where the remaining population live (4,500). We are also providing support for evacuees in the Caribbean region and have financed passages for evacuees to the Caribbean, the United Kingdom and North America. The costs of supporting evacuees once they arrive in Britain are met by the relevant Home Departments. We agreed with the Government of Montserrat in November 1998 on a sustainable development plan setting out broad policies needed for economic and social recovery of the island. This formed the basis of the joint country policy plan agreed in January 1999, which includes an indicative investment programme for the period to March 2001."[2]

68. Assistance included provision of infrastructure and housing, a hospital, schools, a ferry and helicopter service, assistance to small-scale private sector companies and expertise to assist the Government with a wide range of public service activities.[2]

69. In March 2000, the United Kingdom announced that it would donate a naval patrol boat to the Montserrat police to help fight drug-trafficking in the Caribbean. The United Kingdom Government will also

contribute EC$ 160,000 towards the construction of a cultural centre in the northern part of the island.[35]

IX. Assistance provided by the United Nations and other international organizations

70. United Nations assistance to Montserrat is provided mainly through UNDP, which maintains programmes of technical cooperation with five Non-Self-Governing Territories of the Caribbean, including Montserrat.

71. After the first volcanic eruptions in 1995, UNDP provided emergency resources of US$ 165,000 for emergency shelter and housing efforts. Funding for these efforts came from the UNDP special programme resources and line 1.1.3 of the target for resource assignment from the core (TRAC) emergency programmes. That money has been used as part of the funding for the CARICOM Village, a housing project administered by CARICOM. UNDP has also provided technical support to the territorial Government in civil engineering, environmental planning, disaster management and preparedness, building management and architectural services. (For more detailed information about the country cooperation framework, see UNDP document DP/CCF/MOT/1.) Support for the Government's sustainable development strategy will be the ongoing focus of UNDP efforts in the Territory.

72. On 26 January 1999, the Executive Board of UNDP and of the United Nations Population Fund authorized the Administrator to shift support of programmes in Montserrat to a case-by-case basis, as requested by the territorial Government. The decision had been reached after a review of the current situation in the Territory.[36]

73. The two main focuses of a newly approved UNDP project in 1999 were: (a) support for vulnerability mapping and strengthening of national disaster management; and (b) preparedness plans. The project is being funded both by the Governments of Montserrat and the United Kingdom.

74. UNDP has been unable to reverse the Executive Board's conferral of net contributor country status on Montserrat, owing to the island's high level of per capita gross national product. It has, however, participated in the review of and provided advice on Montserrat's sustainable development plan and assisted in finalizing the country policy paper together with authorities of the United Kingdom Government.

75. According to press reports, the European Union has allocated at least 16 million European currency units to Montserrat, of which ECU 8 million is to be used for airport reconstruction and the rest for poverty-alleviation programmes, such as home-building projects.[37] In 1998-1999 the European Union provided US$ 0.3 million in aid.[38]

76. WHO, working together with PAHO, has developed a programme of assistance for Montserrat, in response to the priority needs as defined by its local Government. The programme for 2000-2001 addresses these priorities through three projects: environmental health, health promotion and disease prevention, and health services development. Specific aspects of these projects for Montserrat include training in community care for the elderly by means of fellowships to the University of the West Indies; developing a defined policy and plan of action for the care for the elderly through the Department for International Development assisted project; training in psychiatric and elderly nursing, operating theatre and other techniques. The programme for disaster preparedness and mitigation assists with emergency referrals of patients and with organizing short-term replacement of health personnel.

77. According to the information received from the United Nations Conference on Trade and Development (UNCTAD), representatives of Montserrat participate in various workshops within the Programme on Training Development in the Field of Marine Transport (TRAINMAR), which are specially designed for national officials, managers and trainers in maritime and port management in the Caribbean region.

78. The United Nations International Drug Control Programme provides assistance to Caribbean Non-Self-Governing Territories in subregional projects carried out in the context of the Plan of Action for Drug Control Coordination and Cooperation in the Caribbean. Montserrat participates in a United Nations International Drug Control Programme project designed to assist customs administrations in the establishment of a regional clearance system for small vessels and light aircraft in order to improve the interdiction of illicit drug-trafficking.

X. Participation in regional organizations and arrangements

79. The Territory continues to be a member of CARICOM and OECS, as well as the institutions associated with both groups, including the University of the West Indies, CDB and the Eastern Caribbean Central Bank. Montserrat is an associate member of the Economic Commission for Latin America and the Caribbean (ECLAC) and its subsidiary bodies. The Territory is represented at the meetings of the Caribbean Group for Cooperation in Economic Development, sponsored by the World Bank.

80. The Twelfth Inter-sessional Meeting of the Conference of Heads of Government of the Caribbean Community held in Barbados from 14 to 16 February 2000 adopted a number of conclusions and decisions having a bearing on the Territory. These include:

(a) An agreement establishing the Caribbean Court of Justice, which is considered to be an integral component for the efficient functioning of a CARICOM single market and economy;

(b) Giving priority to the implementation of the CARICOM single market and economy, in order to enable the region to take advantage of the opportunities created by hemispheric and global liberalization;[39]

(c) The decision to convene a regional summit on tourism in July 2001, given the importance of tourism to the economic development of the region;

(d) Welcoming the high-level consultations with OECD and the first meeting of the Joint Working Group held in January 2001, as creating the opportunity for non-OECD countries to provide a coordinated response;[40]

(e) Expressing concern at the growing prevalence of HIV/AIDS and its impact on the social and economic development of the region, and supporting the objectives of the Pan-Caribbean Partnership to combat HIV/AIDS.[41]

XI. Future status of the Territory

A. Position of the territorial Government

81. On 30 March 1999, in presenting the 1999 budget, the Chief Minister of Montserrat acknowledged the publication of the White Paper on relations between the United Kingdom and its Overseas Territories, as follows:

> "We feel that this is a welcome opportunity for a full review of the constitutional relationship between the United Kingdom and the colony of Montserrat. Perhaps the time has come for all Montserratians to be given the chance to discuss and determine the nature and the terms of our future constitutional status, and for such an exercise to produce a constitution over which we can claim true ownership and acceptance. Government is therefore considering the appointment of a constitutional commission to undertake the review and to make proposals for constitutional change. These proposals would draw on the work of the Electoral Commission which is presently ongoing, but would naturally adopt a much wider scope and purpose."

82. The Chief Minister of Montserrat expressed his preference for independence within a political union such as OECS. He also stated that self-reliance was more important than independence from the United Kingdom.

B. Position of the administering Power

83. On 26 September 2000, the representative of the United Kingdom made a statement before the Fourth Committee of the General Assembly. In her statement, the representative stated that she was pleased to report that further progress had been made towards the modernization and development of the relationship between the United Kingdom and its overseas Territories.[42]

84. The United Kingdom representative said that 1999 had seen the inaugural meeting of the Overseas Territories Consultative Committee, the key forum in the modern partnership relationship between the United Kingdom and the Governments of the overseas Territories. Following the success of the first meeting, which had taken place shortly after the previous year's

debate, the second meeting would be held in London in October 2000. The meeting provided a forum for structured political dialogue and exchange of views between the elected representatives of the overseas Territories and the Government of the United Kingdom. It was an opportunity to continue dialogue on the management of public affairs and the future development of the overseas Territories, and enabled ministers and Governments of overseas Territories to consult on matters such as the process of constitutional review and human rights issues arising from the United Kingdom's international commitments. In 2000, good governance, justice, internal security and sustainable development would be among the topics discussed.

85. The United Kingdom representative stated that the United Kingdom's partnership was evolving, not static, and working well. For instance, in the field of disaster prevention and management, a working seminar had been held in the British Virgin Islands in June, which had done much to help the Territories share experience and to establish a working set of contacts and systems to help deal with any future such events. The United Kingdom continued to support the overseas Territories that needed it. At the same time, in the spirit of partnership, the United Kingdom continued to promote sustainable development in the overseas Territories, working out and agreeing with their strategic country programmes.

86. The representative of the United Kingdom said that the record showed, for the United Kingdom, the wishes of the peoples concerned, exercised in accordance with the other principles and rights set out in the Charter of the United Nations and in other international treaties, were of paramount importance. The relationship continued to be based on the principles of self-determination, mutual obligations, freedom for the Territories to run their affairs to the greatest degree possible and a firm commitment from the United Kingdom to help the Territories economically and to assist them in emergencies. The representative of the United Kingdom stated that she was sure the Fourth Committee recognized the commonality of approach between her Government and the Committee. Nevertheless, she continued, it was a pity that while there was so much in common in their approaches, it was not always properly reflected in all relevant resolutions, in particular of the Special Committee. The United Kingdom welcomed the fact that the annual "omnibus" resolution stated that "in the decolonization process there is no alternative to the principle of self-determination" (General Assembly resolution 55/144 A). The United Kingdom therefore regretted that the Special Committee continued to apply this principle selectively. This principle was enshrined in the Charter of the United Nations and the International Convention on Civil and Political Rights. The representative of the United Kingdom said that the United Kingdom welcomed the efforts made by the Special Committee under the constructive leadership of its Chairman, Ambassador Peter Donigi, to pursue informal dialogue with the administering Powers with a view to ascertaining the wishes of the peoples of the Territories with a view to possible future removal of the Territories from the Committee's list. Careful preparations would be necessary before the United Kingdom could expect substantive progress to be made. But her Government remained ready to cooperate with the Committee in those efforts.

XII. Consideration by the General Assembly

87. On 8 December 2000, the General Assembly adopted without a vote resolutions 55/144 A and B on Non-Self-Governing Territories. Section VII of the latter resolution concerns Montserrat. In that resolution, the Assembly, among other things, called upon the administering Power, the specialized agencies and other organizations of the United Nations system, as well as regional and other organizations, to continue to provide urgent emergency assistance to the Territory in alleviating the consequences of the volcanic eruptions; and welcomed the support of the Caribbean Community in the construction of housing in the safe zone to alleviate the shortage caused by the environmental and human crisis of the eruptions of the Montsoufriere volcano, as well as the material and financial support of the international community to help alleviate the suffering caused by the crisis.

Notes

[1] The information contained in the present paper has been derived from published reports and information available on the Internet. The facts and figures presented in the working paper are the latest information available.

[2] "Partnership for Progress and Prosperity: Britain and the Overseas Territories", United Kingdom White Paper, March 1999 (A/AC.109/1999/1, annex).

[3] The Economist Intelligence Unit, country profile, 1999-2000.

[4] Trinidad and Tobago; Guyana; Suriname; Netherlands Antilles; Aruba; Windward and Leeward Islands, 1st quarter 1998, The Economist Intelligence Unit, p. 74.

[5] 1999 Montserrat budget, 30 March 1999; "New Plans for the Development of Montserrat", United Kingdom Foreign and Commonwealth Office (www.fco.gov.uk), 11 June 1999.

[6] *The Montserrat Reporter* web site (www.montserratreporter.org), Montserrat Development Unit.

[7] Tribune Business News, 29 March 2000.

[8] Baroness Scotland at Wilton Park, 3 April 2000, Overseas Territories: Into the New Millennium Conference.

[9] The Montserrat Volcano Observatory was established after the first eruption in 1995; the Observatory became a statutory body of the Government of Montserrat in 1999. Its role is to advise the civilian authorities on the volcanic activity and the associated hazards. Funding for the Observatory comes mainly from the United Kingdom Government's Department for International Development.

[10] The southern part of the island, including the capital, Plymouth, which was devastated by the eruption of the volcano in 1995.

[11] "Global Volcanism Program" (gvn@volcano.si.edu); and Scientific and Hazards Assessment of the Soufriere Hills Volcano, Montserrat, preliminary statement, 18 January 2001.

[12] www.montserratreporter.org, vol. XVI, No. 6, 23 February 2001.

[13] *Caribbean Update*, vol. 17, No. 3, April 2001. See also para. 24.

[14] The Economist Intelligence Unit, 14 February 2001.

[15] The World Factbook 2000 — Montserrat (www.odci.gov).

[16] *The Montserrat Reporter*, 30 April 1999.

[17] Review of Financial Regulation in the Caribbean Overseas Territories and Bermuda: Implementing Recommendations, 8 February 2001 (www.fco.gov.uk/news/newstext.asp?4674).

[18] *The Montserrat Reporter*, vol. XVI, No. 6, 23 February 2001.

[19] 1998 Caribbean Basin Profile, p. 313.

[20] *The Montserrat Reporter*, 7 May 1999.

[21] Ibid., 13 March 1998.

[22] Caribbean News Agency (CANA), Bridgetown, 25 April 1998.

[23] Montserrat Social and Economic Recovery Programme — a Path to Sustainable Development, November 1998 (www.mninet.com/devunit/sdp).

[24] Eastern and Caribbean Central Bank, *Economic and Financial Review*, vol. 18, No. 2, June 1990.

[25] CANA, NewsEdge Service, 24 March 2000.

[26] 1998 Caribbean Basin Profile, p. 315.

[27] *The Miami Herald*, 14 August 2000, via NewsEDGE/LAN.

[28] The Economist Intelligence Unit, 28 January 2000.

[29] *Los Angeles Times*, 28 October 1999.

[30] *Montserrat Alive Magazine*, January 2001.

[31] *The Montserrat Reporter*, 7 May 1999.

[32] CAT/C/44/Add.1, paras. 197-200.

[33] *The Montserrat Reporter*, 26 February 1999.

[34] Ibid., vol. XVI, No. 12, 6 April 2001.

[35] CANA, NewsEdge Service, 15 March 2000.

[36] DP/1999/12 and Corr.1.

[37] *The Montserrat Reporter*, 30 April 1999.

[38] www.oecd.org/dac/images/AidRecipient/msr/gif.

[39] Recommendations adopted by the Second Special Consultation on the CARICOM Single Market and Economy, held in Barbados on 20 to 21 November 2000.

[40] The high-level consultation was held in Barbados on 8 and 9 January 2001 between the OECD and non-OECD countries; and the first meeting of the Joint Working Group established by the Barbados meeting was held in London from 26 to 28 January 2001.

[41] Launched in February 2001.

[42] See A/C.4/55/SR.4, paras. 1-4.